



**PRODUCT PRICE AND MARKET FORECASTS
FOR THE CANADIAN OIL AND GAS INDUSTRY**

January 1, 2014

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GLJ Petroleum Consultants has prepared the enclosed price and market forecasts after a comprehensive review of information available through to December 2013. Information sources include numerous government agencies, industry publications, Canadian oil refiners and natural gas marketers. The accuracy of all factual data, from all sources has been accepted as represented without detailed investigation by GLJ Petroleum Consultants. The forecasts presented herein are based on an informed interpretation of currently available data. While they are considered reasonable at this time, users of these forecasts should understand the inherent high uncertainty in forecasting any commodity or market. These forecasts will be revised periodically as market, economic and political conditions change. These future revisions may be significant.

GLJ PETROLEUM CONSULTANTS PRODUCT PRICE AND MARKET FORECASTS FOR THE CANADIAN OIL AND GAS INDUSTRY January 1, 2014

GLJ Petroleum Consultants has completed our commodity price forecasts as presented in the attachments. Revisions in the forecasts reflective of current market conditions have been incorporated. Widely followed benchmarks are presented graphically below:

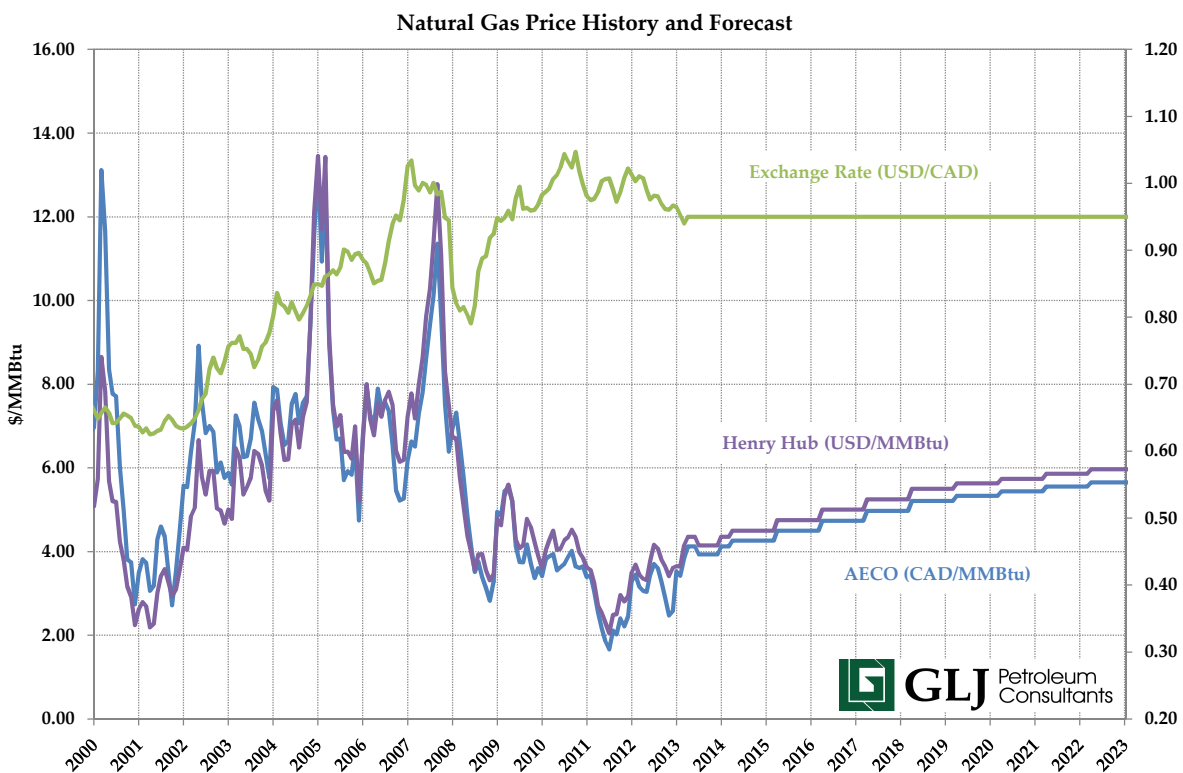
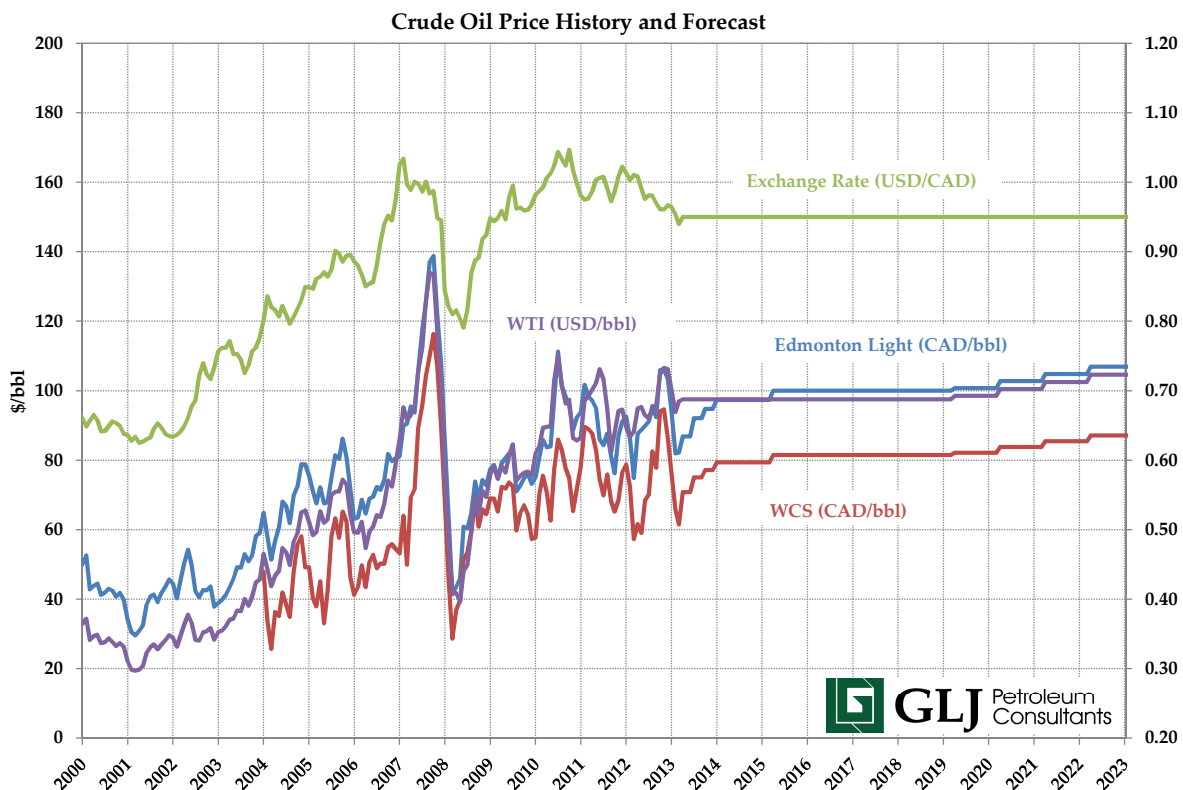


Table 1
 GLJ Petroleum Consultants Ltd.
Crude Oil and Natural Gas Liquids
Price Forecast
 Effective January 1, 2014

Year	Inflation %	Bank of Canada	NYMEX WTI Near Month Futures Contract		ICE Brent Near Month Futures Contract		Light Sweet Crude Oil (40 API, 0.3%S) at Edmonton	Bow River Crude Oil Stream Quality at Hardisty	WCS Stream Quality at Hardisty	Heavy Crude Oil Proxy (12 API) at Hardisty	Light Crude Oil (35 API, 1.2%S) at Cromer	Medium Crude Oil (29 API, 2.0%S) at Cromer	Alberta Natural Gas Liquids (Then Current Dollars)			
		Average Noon Exchange Rate USD/CAD	Crude Oil at Cushing Oklahoma Constant 2014 \$	Crude Oil at Oklahoma Then Current USD/bbl	Crude Oil FOB North Sea Then Current USD/bbl	Crude Oil Then Current CAD/bbl	Stream Quality Then Current CAD/bbl	Stream Quality Then Current CAD/bbl	Stream Quality Then Current CAD/bbl	Stream Quality Then Current CAD/bbl	Stream Quality Then Current CAD/bbl	Stream Quality Then Current CAD/bbl	Stream Quality Then Current CAD/bbl	Spec Ethane CAD/bbl	Edmonton Propane CAD/bbl	Edmonton Butane CAD/bbl
2000	2.7	0.673	40.08	30.23	28.41	44.57	35.28	N/A	27.49	43.28	39.92	N/A	32.15	35.59	46.31	
2001	2.5	0.646	33.58	26.00	24.87	39.44	27.69	N/A	16.77	35.22	31.58	N/A	31.92	31.25	42.48	
2002	2.3	0.637	32.82	26.08	25.02	40.33	31.83	N/A	26.57	37.43	35.48	N/A	21.39	27.08	40.73	
2003	2.8	0.716	38.25	31.07	28.47	43.66	32.11	N/A	26.26	40.09	37.55	N/A	32.14	34.36	44.23	
2004	1.8	0.770	49.57	41.38	38.02	52.96	37.43	N/A	29.11	49.14	45.64	N/A	34.70	39.97	53.94	
2005	2.2	0.826	66.54	56.58	55.14	69.02	44.73	43.74	34.07	62.18	56.77	N/A	43.04	51.80	69.57	
2006	2.0	0.882	76.18	66.22	66.16	73.21	51.82	50.66	41.84	66.38	62.26	N/A	43.85	60.17	75.41	
2007	2.2	0.935	81.64	72.39	72.71	77.06	53.64	52.38	43.42	71.13	65.71	N/A	49.56	61.78	77.38	
2008	2.4	0.943	110.01	99.64	98.30	102.89	84.31	82.95	74.94	96.08	93.10	N/A	58.38	75.33	104.78	
2009	0.4	0.880	66.56	61.78	62.50	66.32	60.18	58.66	54.46	63.84	62.96	N/A	38.03	48.17	68.17	
2010	1.8	0.971	85.39	79.52	80.25	77.87	68.45	67.27	60.76	76.58	73.76	N/A	46.84	65.91	84.27	
2011	2.9	1.012	100.36	95.12	110.86	95.53	78.58	77.14	67.64	92.35	88.33	N/A	53.66	74.42	104.17	
2012	1.5	1.001	96.59	94.21	111.71	86.60	74.42	73.13	63.64	84.51	81.38	N/A	29.04	66.70	100.84	
2013 (e)	1.0	0.971	98.85	97.88	108.76	93.33	76.25	74.91	65.07	92.29	88.05	N/A	38.49	68.65	104.40	
2014 Q1	2.0	0.950	97.50	97.50	107.50	86.84	72.51	70.78	60.27	85.11	80.76	13.59	60.79	71.21	102.47	
2014 Q2	2.0	0.950	97.50	97.50	107.50	92.11	76.91	75.07	65.64	90.26	85.66	12.93	55.26	71.84	103.16	
2014 Q3	2.0	0.950	97.50	97.50	107.50	94.74	79.11	77.21	67.54	92.84	88.11	12.93	56.84	73.89	106.11	
2014 Q4	2.0	0.950	97.50	97.50	107.50	97.37	81.30	79.36	69.45	95.42	90.55	13.59	58.42	75.95	109.05	
2014 Full Year	2.0	0.950	97.50	97.50	107.50	92.76	77.46	75.60	65.72	90.91	86.27	13.26	57.83	73.22	105.20	
2015	2.0	0.950	95.59	97.50	107.50	97.37	81.30	79.36	70.03	95.42	90.55	14.08	58.42	75.95	107.11	
2016	2.0	0.950	93.71	97.50	105.00	100.00	83.50	81.50	72.85	98.00	93.00	14.89	60.00	78.00	107.00	
2017	2.0	0.950	91.88	97.50	102.50	100.00	83.50	81.50	72.85	98.00	93.00	15.71	60.00	78.00	107.00	
2018	2.0	0.950	90.07	97.50	102.50	100.00	83.50	81.50	72.85	98.00	93.00	16.53	60.00	78.00	107.00	
2019	2.0	0.950	88.31	97.50	102.50	100.00	83.50	81.50	72.85	98.00	93.00	17.34	60.00	78.00	107.00	
2020	2.0	0.950	87.50	98.54	102.50	100.77	84.14	82.13	73.42	98.75	93.71	17.77	60.46	78.60	107.82	
2021	2.0	0.950	87.50	100.51	103.38	102.78	85.82	83.76	74.90	100.72	95.58	18.13	61.67	80.17	109.97	
2022	2.0	0.950	87.50	102.52	105.45	104.83	87.53	85.44	76.42	102.73	97.49	18.52	62.90	81.77	112.17	
2023	2.0	0.950	87.50	104.57	107.56	106.93	89.28	87.14	77.97	104.79	99.44	18.88	64.16	83.40	114.41	
2024+	2.0	0.950	87.50	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	

Historical futures contract price is an average of the daily settlement price of the near month contract over the calendar month.

Revised 2013-12-31

Table 2
GLJ Petroleum Consultants Ltd.
Natural Gas and Sulphur
Price Forecast
 Effective January 1, 2014

Year	NYMEX Henry Hub		Midwest	Alberta Plant Gate					Saskatchewan Plant Gate			British Columbia		Sulphur	Alberta	
	Near Month	Contract	Price @ Chicago	AECO/NIT	Spot		ARP	Alliance	SaskEnergy	Spot	Sumas Spot	Westcoast	Spot	Sulphur	Sulphur	
	Constant	Then	Then	Then	Constant	Then										
	2014 \$	Current	Current	Current	2014 \$	Current	Current	Current	Current	Current	Station 2	Plant Gate	Vancouver	at Plant		
USD/MMBtu	USD/MMBtu	USD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	CAD/MMBtu	USD/ft	CAD/ft		
1996	3.52	2.51	2.73	1.57	1.76	1.63	N/A	1.52	1.31	1.32	1.49	1.47	36.28	6.48		
1997	3.42	2.47	2.75	2.01	2.35	1.70	1.97	N/A	1.85	1.77	1.71	1.89	1.98	34.75	5.12	
1998	2.94	2.16	2.20	2.20	2.55	1.87	1.94	N/A	2.05	1.94	1.60	2.15	2.00	24.59	-6.51	
1999	3.12	2.31	2.33	2.98	3.72	2.75	2.48	N/A	2.82	2.84	2.15	2.93	2.78	33.74	6.93	
2000	5.71	4.32	3.96	5.80	6.52	4.93	4.50	N/A	4.79	4.99	4.15	5.06	4.88	38.14	13.59	
2001	5.21	4.03	4.45	5.65	7.86	6.07	5.41	5.31	5.72	6.15	4.57	6.32	6.29	18.29	-14.67	
2002	4.23	3.36	3.25	4.27	4.89	3.88	3.88	3.65	4.04	3.96	2.68	4.18	3.93	29.38	3.04	
2003	6.74	5.47	5.46	6.73	8.00	6.49	6.13	6.15	6.41	6.57	4.66	6.45	6.32	59.81	39.83	
2004	7.40	6.18	6.13	6.90	8.03	6.70	6.31	6.39	6.48	6.78	5.26	6.56	6.45	62.99	38.61	
2005	10.58	9.00	8.24	9.06	9.89	8.42	8.30	8.27	8.36	8.48	7.13	8.22	8.12	63.50	33.77	
2006	8.04	6.99	6.93	6.71	8.01	6.96	6.57	6.36	6.67	7.06	6.27	6.58	6.45	55.07	19.27	
2007	8.03	7.12	6.83	6.59	7.25	6.43	6.20	5.86	6.18	6.55	6.52	6.40	6.25	81.66	42.03	
2008	9.82	8.90	8.91	8.25	8.74	7.92	7.88	7.83	8.07	8.04	8.33	8.21	8.09	497.39	488.64	
2009	4.49	4.16	4.05	4.16	4.30	3.98	3.85	3.23	3.87	4.04	3.91	4.17	4.04	57.06	24.57	
2010	4.72	4.40	4.53	4.03	4.22	3.93	3.77	3.31	3.96	4.00	4.31	4.01	3.91	88.94	48.26	
2011	4.25	4.03	4.21	3.62	3.70	3.51	3.46	2.84	3.57	3.67	3.93	3.39	3.31	217.16	171.93	
2012	2.89	2.83	2.92	2.44	2.29	2.24	2.25	1.65	2.31	2.42	2.77	2.38	2.26	201.03	157.91	
2013 (e)	3.75	3.71	3.84	3.24	3.02	2.99	2.98	2.63	3.11	3.16	3.70	3.14	2.91	120.81	74.03	
2014 Q1	4.35	4.35	4.55	4.12	3.90	3.90	3.90	3.38	4.00	4.04	4.55	4.02	3.82	65.00	18.42	
2014 Q2	4.15	4.15	4.20	3.93	3.72	3.72	3.72	3.02	3.82	3.85	3.90	3.73	3.54	75.00	28.95	
2014 Q3	4.15	4.15	4.20	3.93	3.72	3.72	3.72	3.02	3.82	3.85	3.90	3.73	3.54	75.00	28.95	
2014 Q4	4.35	4.35	4.45	4.12	3.90	3.90	3.90	3.28	4.00	4.04	4.45	4.02	3.82	85.00	39.47	
2014 Full Year	4.25	4.25	4.35	4.03	3.81	3.81	3.81	3.18	3.91	3.95	4.20	3.88	3.68	75.00	28.95	
2015	4.41	4.50	4.60	4.26	3.97	4.04	4.04	3.43	4.14	4.18	4.45	4.11	3.91	100.00	55.26	
2016	4.57	4.75	4.85	4.50	4.11	4.28	4.28	3.68	4.38	4.42	4.70	4.35	4.15	125.00	81.58	
2017	4.71	5.00	5.10	4.74	4.25	4.51	4.51	3.93	4.61	4.66	4.95	4.59	4.38	127.50	84.21	
2018	4.85	5.25	5.35	4.97	4.39	4.75	4.75	4.19	4.85	4.89	5.20	4.82	4.62	130.05	86.89	
2019	4.98	5.50	5.60	5.21	4.51	4.98	4.98	4.44	5.08	5.13	5.45	5.06	4.86	132.65	89.63	
2020	5.00	5.63	5.73	5.33	4.53	5.11	5.11	4.57	5.21	5.25	5.58	5.18	4.98	135.30	92.42	
2021	5.00	5.74	5.84	5.44	4.53	5.21	5.21	4.68	5.31	5.36	5.69	5.29	5.08	138.01	95.27	
2022	5.00	5.86	5.96	5.55	4.54	5.32	5.32	4.80	5.42	5.47	5.81	5.40	5.19	140.77	98.18	
2023	5.00	5.97	6.07	5.66	4.54	5.42	5.42	4.91	5.52	5.58	5.92	5.51	5.30	143.59	101.15	
2024+	5.00	+2.0%/yr	+2.0%/yr	+2.0%/yr	4.54	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Unless otherwise stated, the gas price reference point is the receipt point on the applicable provincial gas transmission system known as the plant gate.
 The plant gate price represents the price before raw gas gathering and processing charges are deducted.

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Table 3
GLJ Petroleum Consultants Ltd.
International and Frontier
Price Forecast
 Effective January 1, 2014

Year	Inflation %	Bank of Canada Average Noon Exchange Rates			NYMEX WTI Near Month Futures Contract Crude Oil at Cushing Oklahoma		Light Louisiana Sweet Crude Oil		Mexican Mayan Crude Oil		Brent Blend Crude Oil FOB North Sea		Henry Hub Spot		Nova Scotia Goldboro		National Balancing Point (UK)		
		USD/CAD	CAD/GBP	CAD/EUR	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	Then Current	
					USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/bbl	CAD/bbl	USD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	USD/MMBtu	CAD/MMBtu	
2000	2.7	0.673	2.250	1.318	30.23	44.89	N/A	N/A	23.60	35.05	28.41	42.19	4.32	6.42	3.91	5.81	2.81	4.18	
2001	2.5	0.646	2.231	1.334	26.00	40.26	N/A	N/A	18.04	27.93	24.87	38.51	4.03	6.24	3.27	5.06	3.19	4.93	
2002	2.3	0.637	2.359	1.427	26.08	40.95	N/A	N/A	21.40	33.60	25.02	39.28	3.36	5.28	2.24	3.51	2.58	4.04	
2003	2.8	0.716	2.288	1.523	31.07	43.41	N/A	N/A	25.04	34.98	28.47	39.77	5.47	7.64	4.02	5.61	3.38	4.72	
2004	1.8	0.770	2.384	1.556	41.38	53.65	40.23	52.08	31.12	40.44	38.02	49.29	6.18	8.02	5.62	7.32	4.76	6.13	
2005	2.2	0.826	2.206	1.452	56.58	68.42	52.81	63.85	41.66	50.36	55.14	66.69	9.00	10.83	8.19	9.87	7.51	9.02	
2006	2.0	0.882	2.090	1.369	66.22	75.08	63.89	72.41	52.16	59.13	66.16	75.01	6.99	7.94	6.20	7.04	8.34	9.48	
2007	2.2	0.935	2.148	1.436	72.39	76.89	75.36	80.13	59.69	63.30	72.71	77.33	7.12	7.65	6.33	6.84	6.14	6.44	
2008	2.4	0.943	1.961	1.548	99.64	104.27	102.31	107.04	83.90	87.62	98.30	102.81	8.90	9.36	8.32	8.77	11.41	12.12	
2009	0.4	0.880	1.780	1.585	61.78	69.57	64.31	72.52	56.46	63.55	62.50	70.47	4.16	4.75	3.35	3.87	4.95	5.68	
2010	1.8	0.971	1.593	1.367	79.52	81.85	82.78	85.20	70.29	72.35	80.25	82.58	4.40	4.53	3.83	3.96	6.39	6.58	
2011	2.9	1.012	1.586	1.376	95.12	94.02	112.33	111.03	98.60	97.52	110.86	109.57	4.03	3.98	3.62	3.58	9.35	9.25	
2012	1.5	1.001	1.584	1.285	94.21	94.11	111.77	111.62	99.60	99.50	111.71	111.57	2.83	2.82	2.72	2.72	9.38	9.37	
2013 (e)	1.0	0.971	1.612	1.369	97.88	100.86	107.11	110.29	97.30	100.17	108.76	112.03	3.71	3.83	5.76	5.92	10.51	10.83	
2014 Q1	2.0	0.950	1.700	1.450	97.50	102.63	102.13	107.50	89.23	93.92	107.50	113.16	4.35	4.58	7.96	8.38	10.75	11.32	
2014 Q2	2.0	0.950	1.700	1.450	97.50	102.63	102.13	107.50	89.23	93.92	107.50	113.16	4.15	4.37	3.34	3.52	10.75	11.32	
2014 Q3	2.0	0.950	1.650	1.400	97.50	102.63	102.13	107.50	93.53	98.45	107.50	113.16	4.15	4.37	3.34	3.52	10.75	11.32	
2014 Q4	2.0	0.950	1.650	1.400	97.50	102.63	102.13	107.50	93.53	98.45	107.50	113.16	4.35	4.58	5.01	5.28	10.75	11.32	
2014 Full Year	2.0	0.950	1.675	1.425	97.50	102.63	102.13	107.50	91.38	96.18	107.50	113.16	4.25	4.47	4.92	5.17	10.75	11.32	
2015	2.0	0.950	1.650	1.400	97.50	102.63	102.13	107.50	93.53	98.45	107.50	113.16	4.50	4.74	5.16	5.43	10.75	11.32	
2016	2.0	0.950	1.650	1.400	97.50	102.63	101.85	107.21	91.35	96.16	105.00	110.53	4.75	5.00	5.41	5.69	10.50	11.05	
2017	2.0	0.950	1.650	1.400	97.50	102.63	100.45	105.74	89.18	93.87	102.50	107.89	5.00	5.26	4.92	5.17	10.25	10.79	
2018	2.0	0.950	1.650	1.400	97.50	102.63	100.45	105.74	89.18	93.87	102.50	107.89	5.25	5.53	5.16	5.43	10.25	10.79	
2019	2.0	0.950	1.650	1.400	97.50	102.63	100.45	105.74	89.18	93.87	102.50	107.89	5.50	5.79	5.41	5.69	10.25	10.79	
2020	2.0	0.950	1.650	1.400	98.54	103.73	100.45	105.74	89.18	93.87	102.50	107.89	5.63	5.93	5.53	5.83	10.25	10.79	
2021	2.0	0.950	1.650	1.400	100.51	105.80	101.31	106.64	89.94	94.67	103.38	108.82	5.74	6.04	5.64	5.94	10.34	10.88	
2022	2.0	0.950	1.650	1.400	102.52	107.92	103.34	108.78	91.74	96.57	105.45	111.00	5.86	6.17	5.76	6.06	10.55	11.10	
2023	2.0	0.950	1.650	1.400	104.57	110.07	105.41	110.96	93.58	98.50	107.56	113.22	5.97	6.28	5.87	6.18	10.76	11.32	
2024+	2.0	0.950	1.650	1.400	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr	+2.0%/yr

Historical futures contract price is an average of the daily settlement price of the near month contract over the calendar month.

Revised 2013-12-31